



ACRONYMS AND DEFINITIONS

- **ACA** – Affordable Care Act:
- **CAP** – Community Alternative Program: waiver program approved by CMS as an alternative to FFS that is tasked with achieving specific objectives, such as avoiding institutionalization.
- **Capitation** – Single monthly payment for a comprehensive array of services, whether the organization assumes risks for utilization, price and consumption.
- **CCNC** – Community Care of North Carolina: 14 networks of primary care providers that are contracted with NCCCN (North Carolina Community Care Network) and Medicaid for care and case management services on a PMPM basis.
- **CMI** – Case mix index: a relative indicator of the complexity of services or resources required to provide services.
- **CMS** – Centers for Medicare and Medicaid Services: federal agency responsible for oversight and approval of Medicaid programs and practices.
- **CPE** – Certified public expenditures: State expenditure of funds by an agency outside of DMA where CMS allows that spending to count as the State share to draw federal funds under Medicaid.
- **CPT** – Current Procedural Terminology: universal listing of codes that describe health services provided by individuals. Codes include a relative value or weight that is used by NC Medicaid and other payers to determine payments to providers.
- **CSC** – Computer Sciences Corporation: organization that DHHS contracted with to develop and operate the Medicaid Management Information System.
- **DHHS** – Department of Health and Human Services: NC Department that oversees DMA.



- **DMA** – Division of Medical Assistance: entity responsible for the operation of the Medicaid program in NC.
- **DME** – Durable medical equipment: equipment and supplies billable to the Medicaid program.
- **DSH** – Disproportionate Share Hospital: federal allotment for uncompensated care payments to hospitals.
- **E&M** – Evaluation and Management Codes: billing codes used by NC Medicaid and other payers to define services provided as part of an office visit.
- **FFS** – Fee for service: basis for payment of most physical health services.
- **FQHC** – Federally Qualified Health Center: federal designation for an organization qualifying for enhanced reimbursement from Medicare and Medicaid. FQHCs must serve an underserved area or population, offer a sliding fee scale, provide comprehensive services, have an ongoing quality assurance program, and have a governing board of directors.
- **ICF-MR** – Intermediate Care Facility – Mental Retardation: NC facility that provides services if individuals with specific disabilities.
- **IGT** – Intergovernmental transfer: funds transfer between governmental units; that is allowed under CMS regulations.
- **GAP** – Hospital supplemental payment plan: defines methodology for calculating equity and upper payment limit payments to hospitals and the associated assessment to fund the State share.
- **GME** – Graduate Medical Education: payment made to teaching hospitals to cover the additional cost to the hospital or service provided in connection with medical education.
- **LME/MCO** – Local Management Entity/Managed Care Organization: NC organizations that contract with Medicaid for behavioral health services on a capitated basis.



- **MRI** – Medicaid Reimbursement Initiative: plan developed by NC and approved by CMS that defines how NC utilizes the federal DSH allotment and CPE's.
- **PACE** – Program of All Inclusive Care for the Elderly: alternative capitation payment model to FFS for individuals at risk for institutionalization in a skilled nursing facility. Objective is to avoid institutionalization.
- **PMPM** – Per member per month: calculation of the amount of spending per enrollee per month, or a payment that is based on the number of people enrolled rather than specific services provided.
- **SMAC** – State Medicaid Average Costs: NC developed and maintained index of the average cost of generic drugs which is used as a basis for generic drug pricing in NC.
- **WAC** – Wholesale acquisition costs: national index of the wholesale acquisition of cost of drugs. This index is used as a basis for pricing brand drugs in NC.